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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

USA Commercial Mortgage Company
06-10725 – Lead Case

USA Capital Realty Advisors, LLC
06-10726

USA Capital Diversified Trust Deed Fund, LLC
06-10727

USA Capital First Trust Deed Fund, LLC
06-10728

USA Securities, LLC
06-10729

Debtors.

Jointly Administered

Chapter 11 Cases

Judge Linda B. Riegle Presiding

**MOTION TO BRIDGE DEADLINE TO
FILE OBJECTION TO ALLOWANCE
OF CLAIMS**

Date: August 23, 2007
Time: 9:30 a.m.

Affecting:

☐ All Cases

or Only:

☒ USA Commercial Mortgage Company

☐ USA Capital Realty Advisors, LLC

☐ USA Capital Diversified Trust Deed Fund, LLC

☐ USA Capital First Trust Deed Fund, LLC

☐ USA Securities, LLC

The USACM Liquidating Trust (the “USACM Trust”) moves this Court for an order pursuant to 11 U.S.C. § 502(b) and Bankruptcy Rule 3007 extending the deadline for filing objections to Allowance of Claims, and in particular unsecured claims until after the October 15, 2007 hearing, or until October 31, 2007. Pursuant to the Debtors’ Third Amended Joint Plan of Reorganization [DE 1799] confirmed by the Court, the deadline for such objections was 90 days after the Effective Date of March 12, 2007, or June 10, 2007. On June 29, 2007, an Order Granting Motion to Extend Deadline to File Objection to

1 Allowance of Claims was signed by this Court and extended the deadline to October 9,
2 2007. The USACM Trust understands that the Court will not be holding hearings in this
3 case between those scheduled for August 23, 2007 and October 15, 2007. The USCAM
4 Trust requests that the October 9, 2007 deadline be bridged to October 31, 2007 so the
5 USACM Trust may fully inform the Court of the status of claims objections, and seek any
6 further extension that may be necessary, at the hearing on October 15, 2007.

7 This Motion is based upon the following Memorandum of Points and Authorities
8 and is supported by the Court's record and the declaration of Edward M. Burr filed this
9 date.

10 MEMORANDUM

11 Background

12 On January 8, 2007, this Court entered its Order Confirming the "Debtors' Third
13 Amended Joint Chapter 11 Plan of Reorganization" as modified herein (DE 2376). Notice
14 of Entry of the Confirmation Order was filed on January 9, 2007, and served on January
15 11 and 12, 2007 (DE 2387).

16 Section VII A.1 Objection to Claims of the Plan provides:

17 Unless otherwise extended by the Court, objections to the
18 allowance of Claims and Equity Interests shall be filed and
19 served upon the entities asserting such Claims or Equity
20 Interests as follows: (A) for any and all Claims and Equity
Interests to which the General Bar Date applies, ninety (90)
days after the Effective Date....

21 Accordingly, the deadline to file an objection to such Claim was 90 days after the
22 Effective Date of March 12, 2007, or June 10, 2007. That deadline was extended by order
23 of June 29, 2007 to October 9, 2007.

24 Approximately **2,465** proofs of claim were filed claiming: **\$2,812,293.40** as
25 administrative; **\$286,969,330.16** as secured; **\$4,479,076.12** as priority; and
26 **\$453,310,042.10** as unsecured as of May 1, 2007. In addition approximately 120 more

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claims have been filed, 49 of which allege secured status and 9 allege priority status. This compares to approximately 2,319 scheduled claims: \$169,742 priority and \$59,353,361 unsecured. Many of the claims filed are complex and require in depth investigation. At this time the USACM Trust has filed:

- 33 omnibus objections to 1,600 claims filed as secured that asserted claims of over \$296,000,000;
- 3 omnibus objections to approximately 108 claims asserting priority status;
- Objections to commission claims asserting priority status;
- Objections to 3 claims asserting administrative expense that aggregate over \$95,000;
- 39 objections to secured claims that asserted claims of over \$6,800,000;
- 9 objections to priority claims that asserted claims of \$428,000;
- Motions to Reclassify Claims of Insiders in Plan Class A-7 against 3 claimants and other objections on the ground that Debtor has no liability.
- A Motion for Summary Judgment Regarding (1) Responses To the USACM Trust's First Through Thirty-Third Omnibus Objections to Claims Asserting A Secured Status; (2); Responses to USACM Trust's First Through Third Omnibus Objections To Claims Asserting A Priority Status; and (3) Newly Alleged Secured And Priority Claims

Further, as the USACM Trust has received information, it has entered into stipulations for the allowance and disallowance of priority and unsecured claims.

There are large baskets of unsecured claims at issue. Some are large, discrete claims of borrowers and others asserting commercial litigation types of claims. The vast majority are claims of direct lenders asserting losses arising out of direct loans. The latter can not be analyzed except on a loan by loan basis, preferably after the loans have been collected, a process that will take a number of months.

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Discussion

Bankruptcy Rule 9006(b)(1) provides that as except as otherwise provided by the Rule:

when an act is required or allowed to be done at or within a specified period by the rules or by a notice given thereunder or by order of court, the court for cause shall at any time in its discretion (1) with or without motion or notice order the period enlarged if the request therefore is made before the expiration of the period originally prescribed or as extended by a previous order or (2) on motion made after the expiration of the specified period, permit the act to be done where the failure to act was the result of excusable neglect.

None of the exceptions in Rule 9006(b)(2) or (3) apply here. Accordingly, the Court may, for the cause shown in this Motion, extend the deadline for filing objections to allowance of claims.

Conclusion

The USACM Trust requests that the Court enter its order bridging the deadline to file objections to allowance of claims from October 9 until October 31, 2007, so that the status of claims objections, and any need to seek a further extension, may be brought before the Court at the October 15, 2007 hearing.

Dated August 1, 2007.

LEWIS AND ROCA LLP

By /s/ RC (#006593)

Susan M. Freeman, AZ 4199 (pro hac vice)

Rob Charles, NV 6593

Attorneys for USACM Liquidating Trust

Copy of the foregoing served on August 1, 2007, via e-mail to all parties with e-mail addresses on the Post Effective Date Official Service List on file with this Court:

/s/ Christine E. Laurel
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Lewis and Roca LLP